Douglas R. Pahl, OSB No. 950476
DPahl@perkinscoie.com
PERKINS COIE LLP
1120 NW Couch Street, 10th Floor
Portland, Oregon 97209
Telephone: 503-727-2000
Facsimile: 504 346-2222

Attorneys for Debtor
Ivory Trading Company, Inc.
dba Ivory Headwear, Co.

UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF OREGON

In re Ivory Trading Company, Inc. dba Ivory Headwear, Co. Debtor.	Case No. 15-32026-pcm11 **DISCLOSURE STATEMENT FOR DEBTOR'S CHAPTER 11 PLAN OF REORGANIZATION (Dated May 26, 2015)**

This Disclosure Statement Has Not Been Approved by the Bankruptcy Court as Containing Adequate Information. The Bankruptcy Court will Determine Whether this Disclosure Statement Contains Adequate Information at a Hearing to Consider Approval of the Disclosure Statement. The Transmission of this Proposed Disclosure Statement is Not a Solicitation for Acceptance or Rejection of Debtor's Proposed Plan.

Ivory Trading Company, Inc. dba Ivory Headwear, Co. ("Debtor") submits this Disclosure Statement in connection with its Plan of Reorganization dated May 26, 2015 (the "Plan"). A copy of the Plan is attached hereto as Exhibit A. Capitalized terms used herein shall have the meanings given to them in the Plan unless otherwise defined herein. The purpose of this Disclosure Statement is to set forth information that (i) summarizes the Plan and alternatives to the Plan, (ii) informs creditors and Equity Interest holders of the treatment to be afforded their claims against and equity interests in the Debtor under the Plan, (iii) assists creditors entitled to vote in making informed decisions as to whether they should vote to accept or reject the Plan, and (iv) assists the Court in determining whether the Plan complies with the provisions of chapter 11 of the Bankruptcy Code and should be confirmed. The Plan describes how all Claims against and Equity Interests in the Debtor will be resolved, and provides the means by which the Debtor will be reorganized.

I. EXECUTIVE SUMMARY

A. Introduction.

On April 24, 2015 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court. Since then, the Debtor has managed its properties and affairs as a debtor-in-possession. This Disclosure Statement describes certain aspects of the Plan, the Debtor's business operations, significant events that occurred in the Bankruptcy Case, and related matters. This executive summary is intended solely as a summary of the distribution provisions of the Plan and certain matters relating to the plan confirmation process. For a more complete understanding of the Plan, you should read this Disclosure Statement, the Plan, and the exhibits thereto in their entirety.

B. Definitions and Plan Supremacy.

All terms defined in the Plan will have the same meanings when used in this Disclosure Statement. Terms defined in this Disclosure Statement which are also defined in the Plan are solely for convenience and the Debtor does not intend to change the definitions of those terms in

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

the Plan. Furthermore, in the event of any inconsistency between the Plan and this Disclosure Statement, the Plan will control. The exhibits attached to this Disclosure Statement are incorporated into and are a part of this Disclosure Statement.

C. Plan Materials.

The Debtor is mailing the following items to those creditors entitled to vote and certain other parties:

1. A copy of the "Order Approving Disclosure Statement and Fixing Time for Filing Acceptances or Rejection of Plan; and Notice of Confirmation Hearing as entered by the Bankruptcy Court on __________ 2015 (the "Disclosure Statement Order");

2. This Disclosure Statement as approved by the Court;

3. The Plan;

4. A ballot; and

5. A pre-addressed return envelope.

Pursuant to the terms of the Plan, certain Classes of Claims and Equity Interests are entitled to vote. Enclosed with this Disclosure Statement are a ballot and a pre-addressed envelope for return of the ballot. The voting procedures are set forth more fully in Article VIII of this Disclosure Statement. If you did not receive a ballot or if your ballot is lost or damaged, please contact Ann Sandvig at Perkins Coie LLP, 1120 N.W. Couch Street, 10th Floor, Portland, OR 97209, by telephone at (503) 727-2046, by fax at (503) 727-2222, or by email at asandvig@perkinscoie.com. The Debtor believes that confirmation of the Plan is in the best interests of the Debtor and its creditors, and that creditors should vote to approve the Plan. You may vote on the Plan by returning the enclosed ballot to the address shown below prior to the Voting Deadline, which is **5:00 p.m. local time in Portland, Oregon on __________, 2015. Only Ballots received by the Voting Deadline can be counted for purposes of Plan confirmation.**

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

D. The Disclosure Statement Approval

On _____________, 2015, the Bankruptcy Court approved this Disclosure Statement in accordance with section 1125(f) of the Bankruptcy Code and Bankruptcy Rule 3017 as containing "adequate information" to enable a hypothetical, reasonable investor typical of holders of Claims against the Debtor to make an informed judgment as to whether to accept or reject the Plan at the Confirmation Hearing. Approval of this Disclosure Statement does not constitute a determination by the Bankruptcy Court as to the fairness or merits of the Plan.

E. Confirmation of Plan

The Bankruptcy Court may confirm the Plan if it is approved by creditors holding more than two-thirds in amount and one-half in number of the Claims voted in each impaired Class of Claims under the Plan.

Objections, if any, to confirmation of the Plan must be filed with the Bankruptcy Court and a copy served on counsel to the Debtor such that the objection is received on or before 5:00 p.m. on __________, 2015. The hearing to consider confirmation of the Plan will be held at __:00 a.m. on _____, 2015.

The confirmation hearing may be adjourned from time to time without further notice except for the announcement of the adjourned date and time at the hearing on confirmation, or at any adjournment thereof.

II. DISCLAIMERS

This Disclosure Statement is not the Plan. This Disclosure Statement, together with the Plan which accompanies this Disclosure Statement, should be read completely. For the convenience of creditors, the Plan is summarized in this Disclosure Statement, but all summaries and other statements regarding the Plan are qualified in their entirety by the Plan itself, which is controlling in the event of any inconsistency. No representations or assurances concerning the Debtor, including, without limitation, its operations, the value of its assets, or the future operations of Ivory Trading Company, are authorized by the

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

Debtor other than as set forth in this Disclosure Statement. This is a solicitation by the Debtor only. The representations made herein are those of the Debtor and not its attorneys or any other professional. Portions of this Disclosure Statement describing the Debtor's financial condition have not been subjected to an independent audit, but prepared from information compiled by the Debtor from records maintained in the ordinary course of its operations. Reasonable efforts have been made to accurately prepare all financial information which may be contained in this Disclosure Statement from the information available to the Debtor. However, as to all such financial information, the Debtor is unable to warrant or represent that the information contained herein is without error.

As to contested matters, adversary proceedings and other actions or threatened actions, this Disclosure Statement shall not constitute or be construed as an admission of any fact, liability, stipulation or waiver, but rather as a statement made in settlement negotiations. The contents of this Disclosure Statement should not be construed as legal, business or tax advice to holders of claims against or equity interests in the Debtor. Creditors and equity interest holders should consult their own legal counsel or tax advisor on any questions or concerns respecting tax, securities, or other legal effects of the Plan on them.

III. THE DEBTOR'S HISTORY AND BUSINESS BACKGROUND

A. History and Business of the Debtor

The Debtor was organized as an Oregon S-corporation in 2003. From its leased location in southeast Portland, the Debtor operates two businesses: a custom headwear embroidery and marketing business, as well as a business venture involving sale of wholesale light-gauge, galvanized, painted and cold-rolled steel. The Debtor's assets include cash on hand, accounts receivable, three embroidering machines, inventory, drawings, a customer list, steel racking and other miscellaneous items.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

B. Management of Ivory Trading.

Michael Ivory is the president and sole director of Ivory Trading as of the date hereof.

C. Ivory Trading Interest Holders.

Ivory Trading has one class of common stock, 100% of which is owned by Michael Ivory.

D. Related Party Transactions

GIDI Promotions ("GIDI") is an insider of the Debtor as defined in section 101(31) of the Bankruptcy Code. GIDI was an unsecured lender to the Debtor prior to the Petition Date. As a result, GIDI possesses an unsecured claim of $36,693.30 (the "GIDI Unsecured Claim"). Under the Plan, the Debtor will not pay any amounts to GIDI on account of the GIDI Unsecured Claim until all other allowed unsecured Claims and allowed administrative Claims have received all payments due under the Plan. Also prior to the Petition Date, Michael Ivory, the President and owner of the Debtor, incurred a number of business related expenses, some of which were not reimbursed. The amount that remains outstanding, $32,510.93, constitutes the Ivory Unsecured Claim. Under the Plan, the Debtor will not pay any amounts to Ivory on account of the Ivory Unsecured Claim until all other allowed unsecured Claims and allowed administrative Claims have received all payments due under the Plan.

IV. THE BANKRUPTCY CASE

A. Commencement of Bankruptcy Case.

The Debtor commenced the Bankruptcy Case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code on April 24, 2015. No trustee has been appointed, and the Debtor has continued to manage its property and affairs as debtor-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. Official Committee of Unsecured Creditors.

The Bankruptcy Code provides for the appointment of an official committee of unsecured creditors in a chapter 11 case to promote the interests of all unsecured creditors. This committee

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

is generally chosen from the twenty largest unsecured creditors and is appointed by the United States trustee. No committee was appointed in this Bankruptcy Case.

C. Bank of the West

The primary factor necessitating the chapter 11 filing by the Debtor was notice of BOTW that it intended to record a confession of judgment that had been executed by the Debtor. BOTW began lending to the Debtor in 2004. Through a series of extensions, the one-year facility was extended by BOTW through 2013. Debtor and BOTW subsequently negotiated and executed a forbearance agreement, pursuant to which BOTW agreed to forbear from exercising its rights under the BOTW Loan Documents through December 31, 2014, based upon certain payments being made by Debtor at an interest rate of 4.75%. The forbearance agreement required the Debtor and Mr. Ivory, personally, to execute a confession of judgment. Debtor made all progress payments. When Debtor did not pay all amounts due under the BOTW Loan on the stated maturity date, BOTW indicated it would record the confession of judgment after April 24, 2015.

D. Postpetition Finances

The operating expenses of the Property are generally paid by revenues from the business. On May 7, 2015, the Bankruptcy Court entered an order authorizing use of cash collateral. Accordingly, since the commencement of the Bankruptcy Case, Debtor has accumulated revenue, has incurred operating expenses, and on and after May 7, 2015, made cash disbursements. Debtor expects to incur approximately $50,000 in reorganization-related expenses during the course of this case.

V. FINANCIAL INFORMATION

A. Selected Financial Information

The following table shows the Debtor's income and expenses for the fiscal year ending December 31, 2014.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

Income Statement Data:	Fiscal Year Ending 12/31/14
Total revenues	1,369,187
Cost of Goods	625,567
Expenses	716,063
Net income	27,556

The Debtor's balance sheet as of December 31, 2014 is as follows:

Assets	
Cash	(4,504)
Accounts Receivable	92,071
Other Current Assets	518,323
Fixed assets (Net Depr)	7,896
Total assets	**613,786**
Liabilities	
Accounts payable	415,973
Credit card	1,827
Payroll	2,604
Notes payable	572,047
Long term liabilities	61,693
Total liabilities	**1,054,145**
Shareholder equity	**(440,359**
Total liabilities & equity	**613,786**

B. Claims

1. Secured Claims

The Debtor is indebted to BOTW, the single creditor whose claim is secured, in whole or in part, by property owned by the Debtor or in which the Debtor asserts a security interest. Under the Plan, this claim is contained in Class 1.

In summary, Debtor is indebted to BOTW for a loan secured by a trust deed. The Debtor scheduled the BOTW's secured claim in the amount of $533,056.56.

2. Administrative Expense Claims

Administrative Expense Claims consist primarily of (a) costs and expenses incurred in connection with the operation of the Debtor's business after the Petition Date, (b) claims of

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

professionals who are or were employed at the expense of the Debtor's bankruptcy estates, to the extent allowed by the Court, and (c) fees and charges assessed against the bankruptcy estate under 28 U.S.C. § 1930, including quarterly fees payable to the United States Trustee. Assuming the Effective Date of the Plan is on or around August 1, 2015, the Debtor projects that there will be no unpaid Administrative Expense Claims other than Fee Claims. The Debtor estimates that the total outstanding Fee Claims will be $50,000.

3. Priority Claims

The Debtor estimates that there are no unpaid claims that arose before the Petition Date that are entitled to priority under section 507(a) of the Bankruptcy Code.

4. Unsecured Claims

The Debtor listed $371,808.72 in unsecured claims on its Schedules, including the GIDI Unsecured Claim in the amount of $36,693.30 and the Ivory Unsecured Claim in the amount of $32,510.93. The Bankruptcy Court set August 31, 2015 as the deadline for proofs of claim (other than certain government claims).

VI. DESCRIPTION OF THE PLAN

A discussion of the principal provisions of the Plan is set forth below. The discussion of the Plan that follows is a summary only and is qualified in its entirety by reference to the full text of the Plan itself. You are urged to read the Plan in full and make a thorough review of its terms in evaluating whether to accept or reject the Plan. If any inconsistency exists between the summary herein and the Plan, the terms of the Plan control.

A. Classification and Treatment of Claims and Interests.

1. Classification Generally.

The Plan designates Classes of Claims and Interests for purposes of voting on the Plan and making distributions. All Claims, other than Administrative Expense Claims and Priority Tax Claims, and all Equity Interests are placed in Classes under the Plan. A Claim is classified in a particular Class only to the extent that the Claim falls within the description of that Class and

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

is classified in one or more other Classes to the extent that any remainder of the Claim falls within the description of such other Classes.

2. Unclassified Claims

a. Administrative Claims

Administrative Claims are claims incurred by the Debtor during the Bankruptcy Case. Each Administrative Claim other than Fee Claims accrued on or before, but unpaid as of, the Effective Date will be paid in full in Cash on the latest of: (i) the Effective Date; (ii) the date on which the Bankruptcy Court enters an order allowing such Administrative Claim; (iii) 30 days after the Claim is Allowed; or (iv) the date on which the Debtor and the holder of such Allowed Administrative Claim otherwise agree in writing. The Debtor does not believe that there will be any holders of Administrative Claims that are not Fee Claims.

b. Professional Fees

Each professional person whose retention or appointment in these Bankruptcy Case has been approved by the Bankruptcy Court, including counsel retained by the Debtor, accountants and other advisors for the Debtor, has a Fee Claim against the estate. Each professional shall file with the Bankruptcy Court and serve on all parties required to receive notice a final fee application within 45 days after the Effective Date. The failure to timely file the fee application as required under the Plan will result in the Fee Claim being forever barred and discharged. All Allowed Fee Claims shall be paid by the Reorganized Debtor from Cash from operations or through application of any retainer held by such professional person.

c. Priority Tax Claims

Each holder of an Allowed Priority Tax Claim will be paid the full amount of its Allowed Priority Tax Claim on the Effective Date or 30 days after the Claim is Allowed, whichever is later.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

B. Classified Claims

A creditor will receive a distribution under the Plan only if such creditor is the holder of an Allowed Claim. Distributions under the Plan are in full satisfaction of all Claims. The Plan provides for classification and treatment of all Claims against the estate as follows:

1. Class 1. BOTW Claim

Class 1 is impaired by and entitled to vote on the Plan. On or about the Effective Date, the Reorganized Debtor will execute and deliver Amended Loan Documents to the Holder of the Class 1 Claim. The Amended Loan Documents will provide for repayment of the Allowed Class 1 Claim on the terms provided for in the Plan, which include: (a) beginning the first Business Day after the first day of the month following the Effective Date, the Reorganized Debtor will make monthly payments of principal and interest based on a seven-year amortization schedule at 4.75%; (b) the Reorganized Debtor shall continue to make substantially equal payments on the first Business Day of each month thereafter; and (c) all unpaid amounts due on the Allowed Class 1 Claim will be paid no later than the first Business Day of the sixtieth month following the Effective Date. The Debtor estimates that the amount remaining on the sixtieth month will be approximately $180,000.

As security for the repayment of the Allowed Class 1 Claim under the Plan, BOTW will retain all liens and security interests in the Debtor’s property existing on the Petition Date and limited by sections 552(a) and (b) of the Bankruptcy Code. BOTW is granted no liens or security interests in any other property of the Debtor or Reorganized Debtor not existing on the Petition Date and in accordance with sections 552(a) and (b) of the Bankruptcy Code.

2. Class 2. General Unsecured Claims (Over $13,000)

Class 2 is comprised of holders of Allowed Unsecured Claims in excess of $13,000.00. Class 2 is impaired by and entitled to vote on the Plan. Because the holder of the GIDI Unsecured Claim and the holder of the Ivory Unsecured Claim are insiders, they will not vote on the Plan. Reorganized Debtor shall first pay to each holder of an Allowed Class 2 Claim, other

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

than the holder of the GIDI Unsecured Claim and the holder the Ivory Unsecured Claim, in Cash, the amount of such Allowed claim without interest. Each such holder will receive, beginning on first Business Day of the first month following the Effective Date, such holder's Pro Rata share of $5,000. Reorganized Debtor shall continue to make substantially equal payments on the first Business Day of each month thereafter, until the principal amounts of Allowed Class 2 Claims, other than the GIDI Unsecured Claim and the Ivory Unsecured Claim, are paid in full, without post-confirmation interest. The Debtor estimates this will occur in sixty months. Upon the payment in full of the face amount of all Allowed Class 2 Claims other than the GIDI Unsecured Claim and the Ivory Unsecured Claim, Debtor shall then begin making monthly payments in the same amount as set forth above to the holder of the GIDI Unsecured Claim and the holder of the Ivory Unsecured Claim.

3. Class 3. Small Unsecured Claims (Under $13,000)

Class 3 is comprised of holders of Allowed Unsecured Claims that are less than $13,000.00. Class 3 is impaired by and entitled to vote on the Plan. The Reorganized Debtor shall pay to each holder of an Allowed Class 3 Claim, in Cash, the amount of such Allowed Claim without interest. Each such holder will receive, on first Business Day after sixty days after the Effective Date, payment in full, in cash, of its Allowed Claim without interest.

4. Class 4. Equity Interests

Class 4 is unimpaired and not entitled to vote on the Plan. All legal, equitable, and contractual rights of holders of Equity Interests with respect to their respective Equity Interests shall remain unaltered.

C. Plan Funding

The Plan will be funded by a combination of the Debtor's Cash on hand as of the Effective Date, Cash that is collected or generated by the Reorganized Debtor after the Effective Date, and contributions made by Michael Ivory in his personal capacity. In addition, the Plan will implement an acquisition that the Debtor believes will increase the Debtor's profitability.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

The Debtor, with the assistance of Mr. Ivory, intends to purchase, with approval of the Bankruptcy Court after notice and hearing, a Barudan America 15-Head Servo embroidering machine (No. BEXSF151C) for approximately $103,000, drawing on a credit line facilitated by Maxwell Morgan LLC. If approved by the Bankruptcy Court, the loan would be secured by a first lien on the machine and a second lien on the personal residence of Mr. Ivory. The Debtor believes that the machine will generate net profits over the added costs.

D. Distributions to Creditors

The provisions of the Plan that govern distributions to creditors and the resolution of disputed and contingent claims are set forth in Article 5 of the Plan. Certain of those provisions are summarized below.

1. Distributions Generally

Distributions under the Plan will be overseen by the management of the Reorganized Debtor and made on the dates specifically prescribed by the Plan. Distributions to be made by the Reorganized Debtor under the Plan ordinarily will be made by check drawn on a domestic bank. Withholding taxes and other amounts required to be withheld under applicable law will be deducted from distributions. Distributions to creditors pursuant to the Plan ordinarily will be delivered by First-Class mail, postage prepaid, in an envelope addressed as directed in a request served on the Reorganized Debtor as provided in the Plan, but if no such request is made, at the address shown in the Schedules, as they may from time to time be amended, or, if a different address is stated in a proof of claim duly filed with the Bankruptcy Court, to such address. Reorganized Debtor shall serve as the disbursing agent under the Plan.

2. Limitations on Amending Claims

Except as otherwise provided in the Plan, after the Confirmation Date, a proof of claim may be amended by the holder of such Claim solely to decrease, but not to increase, the amount of such Claim.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

E. Executory Contracts and Unexpired Leases

The Debtor intends to assume the unexpired lease agreement pertaining to the Debtor's business premises. Debtor is not aware of any other executory contracts or unexpired leases to which it is a party. However, in the event that such agreements exist, they will be rejected on the Effective Date pursuant to the provisions of the Plan. The Debtor anticipates assuming the executory property lease and curing the $75,000 prepetition arrearage with payments over sixty months, as provided in the Plan with the consent of the lessor.

VII. THE REORGANIZED DEBTOR

A. Ownership and Management

1. Management

The Plan provides that upon the occurrence of the Effective Date, existing management (described above in section III.B) will remain in place.

B. Financial Projections - Ivory Trading

Ivory Trading has prepared financial projections on the treatment of the various claims under the Plan. Attached hereto as **Exhibit B** are projected monthly statements of cash flow statements as of and for the five fiscal yearly periods beginning on August 1, 2015, the estimated effective date.

An important component of the cashflow projections appearing in Exhibit B is that the Reorganized Debtor will be able to build cash reserves for business improvements. The Debtor believes that accumulation of cash reserves will enhance its ability to obtain financing to pay off the Class 1 Claim of BOTW.

VIII. VOTING ON THE PLAN

A. Voting Eligibility

In general, a holder of a claim or interest may vote to accept or reject a plan if either (1) the claim or interest is "allowed," which means generally that it is not disputed, contingent or unliquidated in amount, and (2) the claim or interest is part of a class that is impaired by the plan.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

If a creditor or equity interest holder will not receive any distribution under a plan in respect of such claim or interest, the Bankruptcy Code deems such holder to have rejected the plan and provides that the holder is not entitled to vote. On the other hand, if the claim or interest is part of a class that is not impaired, the Bankruptcy Code conclusively presumes that holder of such claim or interest has accepted the plan and provides that the holder is not entitled to vote. Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" under a plan unless (1) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof, or (2) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan (a) cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy), (b) reinstates the maturity of such claim or interest as it existed before the default, (c) compensates the holder of such claim or interest for any damages resulting from such holder's reasonable reliance on such legal right to an accelerated payment, and (d) does not otherwise alter the legal, equitable, or contractual rights to which such claim or interest entitles the holder of such claim or interest.

Under the Plan, only the holders of Allowed Claims (or of disputed claims that are temporarily allowed by the Bankruptcy Court for voting purposes) in Classes 1, 2 and 3 are entitled to vote. As noted above, neither the holder of the GIDI Unsecured Claim nor the holder of the Ivory Unsecured Claim will vote. The holders of Class 4 Equity Interests are not impaired and are deemed to have accepted the Plan.

B. Voting Deadline

The deadline for submitting completed ballots is 5:00 p.m. (prevailing Pacific Time) on **______________, 2015** (the "Voting Deadline"). Only those ballots that are actually received by the Voting Deadline will be counted as either accepting or rejecting the Plan.

C. Acceptance By a Class

As a condition to confirmation, the Bankruptcy Code requires, among other things, that (1) at least one class of claims that is impaired under the plan has accepted the plan, determined

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

without including any acceptance of the plan by any insider, and (2) except under certain circumstances, each class of claims or interests that is impaired under the plan accepts the plan. Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by an impaired class of claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in number of claims in that class, but for that purpose counts only the votes of those creditors who actually vote to accept or reject the plan.

Additionally, if creditors in a Class fail to (i) vote to either accept or reject the Plan and (ii) object to the Plan, such Class shall be deemed to accept the Plan.

D. Voting Procedures

1. Submission of Ballots

A form of ballot is included among the materials that accompany this Disclosure Statement. All votes to accept or reject the Plan must be cast by properly submitting a duly completed and executed ballot. Ballots must be delivered to the Debtor's counsel as designated in the ballot at the address or fax number set forth on the ballot and must be received by the Voting Deadline. The method of delivery of a ballot is at the election and risk of the voting creditor. Please carefully follow the directions contained on the enclosed ballot.

2. Incomplete Ballots

Any ballot received that (i) is not signed, (ii) does not contain sufficient information to permit the identification of the claimant, or (iii) does not indicate either an acceptance or rejection of the Plan or which indicates both acceptance and rejection of the Plan will be invalid and will not be counted as a vote cast with respect to the Plan.

3. Withdrawal or Change of Votes

A ballot may be withdrawn by delivering a written notice of withdrawal to the Debtor's counsel at any time prior to the Voting Deadline. Thereafter, a withdrawn ballot will not be effective unless approved by the Bankruptcy Court. In order to be valid, a notice of withdrawal must (i) specify the name of the holder who submitted the vote on the Plan to be withdrawn,

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

(ii) contain a description of the Claim to which it relates and (iii) be signed by the holder in the same manner as on the ballot. The Debtor expressly reserves the absolute right to contest the validity of any such withdrawals of votes on the Plan. Any creditor who has submitted to the Debtor's counsel a properly completed ballot prior to the Voting Deadline may change such vote by submitting to the Debtor's counsel prior to the Voting Deadline a subsequent properly completed ballot. In the case where more than one timely, properly completed ballot is received with respect to the same Claim, the ballot that bears the latest date will be counted.

4. Voting Multiple Claims.

Only one form of ballot is provided for voting. Any creditor that holds a Claim in more than one Class is required to vote separately with respect to each Claim. Creditors with multiple Claims in the same Class shall have one Claim for voting and distribution purposes and all such amounts will be aggregated into one Claim and such creditor shall be entitled to submit only one ballot. Please sign, and return in accordance with the instructions on the ballot form, a separate ballot with respect to each such Claim.

IX. CONFIRMATION OF THE PLAN

A. Confirmation Hearing.

The Bankruptcy Court will hold a hearing to consider confirmation of the Plan at **____ a/p.m. on ________, 2015** at United States Bankruptcy Court for the District of Oregon, 1001 SW 5th Avenue, #700, Courtroom 1, Portland, Oregon 97204. The confirmation hearing may be adjourned from time to time by the Bankruptcy Court without further notice, except for an announcement of the adjourned date and time made at the confirmation hearing.

B. Deadline for Objecting to Confirmation.

Any objection to confirmation of the Plan must be in writing, must state with specificity the grounds for any such objections, and must be filed with the Bankruptcy Court on or before **_________________, 2015 at 5:00 p.m**. (Prevailing Pacific Time).

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

C. Requirements for Confirmation.

1. Confirmation Requirements Generally.

The Bankruptcy Court can confirm the Plan only if all the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation are that (i) the plan be accepted by all impaired classes of claims and of interests or, if rejected by an impaired class, the plan "does not discriminate unfairly" and is "fair and equitable" as to such class, (ii) the plan is feasible, and (iii) the plan is in the "best interest" of creditors and stockholders that are impaired under the plan.

2. Feasibility.

In connection with confirmation with the Plan, the Bankruptcy Court will have to determine that the confirmation of the Plan is not likely to be followed by the liquidation or the need for further financial reorganization of the Debtor unless such liquidation or reorganization is proposed in the Plan. The Debtor believes it will be able to perform its obligations under the Plan.

3. Best Interests of Creditors.

Section 1129(a)(7) of the Bankruptcy Code requires that any holder of a claim or interest in an impaired class that votes against a proposed plan must receive under the plan distributions that have a value, as of the effective date of the plan, at least equal to that which the holder would receive if the debtor's assets were liquidated under chapter 7 of the Bankruptcy Code. To determine what creditors and Equity Interest holders would receive if a debtor were liquidated, the Bankruptcy Court must determine the dollar amount that would be generated from a liquidation of its assets in the context of a hypothetical liquidation. Such determination must take into account the fact that, as to each asset, all claims secured by that asset would have to be paid in full, as would all administrative expenses in the chapter 7 case and in the original bankruptcy case, before the balance of those proceeds would be made available to pay unsecured creditors and interest holders. To determine if a plan is in the best interest of each impaired

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

class, the present value of the distributions from the proceeds of the hypothetical liquidation of the assets (after subtracting the amount attributable to secured claims and administrative expenses of the bankruptcy case) must be compared with the present value of the consideration offered to each such class under the plan. In addition, the rule of absolute priority of distribution from a debtor's estate must be applied. Under that rule, no junior holder of a claim or equity interest may receive distributions under a plan unless the plan provides that all senior classes will be paid in full or unless all senior classes vote to accept the plan. After consideration of the effect that a chapter 7 liquidation would have on the ultimate proceeds available for distribution to the debtor's creditors and interest holders (including (i) the increased cost and expense of liquidation under chapter 7 arising from fees payable to a chapter 7 trustee and the attorneys and other professional advisors to such trustee, (ii) the time value of money resulting from what is likely a more protracted proceeding, and (iii) the application of the rule of absolute priority to distributions in a chapter 7 case), the Debtor has determined that confirmation of the Plan will provide each creditor in an impaired Class with a greater recovery than such creditor would receive in a chapter 7 case concerning the Debtor.

Debtor estimates that in a liquidation case under chapter 7, general unsecured creditors would receive no cash distributions because substantially all of the Debtor's assets are fully encumbered by liens. A liquidation analysis for Ivory Trading is attached hereto as **Exhibit C**. All general unsecured creditors of Ivory Trading will recover more under the Plan than they would in a chapter 7 case.

D. Confirmation Over Dissenting Class.

The Bankruptcy Code permits confirmation of a plan even if it is not accepted by all impaired classes, as long as (a) the plan otherwise satisfies the requirements for confirmation, (b) at least one impaired class of claims has accepted it without taking into consideration the votes of any insiders in such class, and (c) the plan is "fair and equitable" and does not

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

"discriminate unfairly" as to any impaired class that has not accepted the plan. These so-called "cramdown" provisions are set forth in section 1129(b) of the Bankruptcy Code.

1. Fair and Equitable.

The Bankruptcy Code establishes different "cramdown" tests for determining whether a plan is "fair and equitable" to dissenting impaired classes of secured creditors, unsecured creditors, and equity interest holders as follows:

a. Secured Creditors.

A plan is fair and equitable to a class of secured claims that rejects the plan if the plan provides: (a) that each holder of a secured claim included in the rejecting class (i) retains the lien securing its claim to the extent of the allowed amount of such claim, whether the property subject to that lien is retained by the debtor or transferred to another entity, and (ii) receives on account of its secured claim deferred cash payments having a present value, as of the effective date of the plan, at least equal to such holder's interest in the estate's interest in such property; (b) that each of the holders of the secured claims included in the rejecting class realizes the "indubitable equivalent" of its allowed secured claim; or (c) for the sale, subject to section 363(k) of the Bankruptcy Code, of any property that is subject to the liens securing the claims included in the rejecting class, free and clear of such liens with such liens to attach to the proceeds of sale, and the treatment of such liens on proceeds in accordance with clause (a) or (b) of this paragraph.

b. Unsecured Creditors.

A plan is fair and equitable as to a class of unsecured claims that rejects the plan if the plan provides that: (a) each holder of a claim included in the rejecting class receives or retains under the plan property of a value, as of the effective date of the plan, equal to the amount of its allowed claim (including payment of interest); or (b) the holders of claims and interests that are junior to the claims of the rejecting class will not receive or retain any property under the plan.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

c. Holders of Interests.

A plan is fair and equitable as to a class of interests that rejects the plan if the plan provides that: (a) each holder of an equity interest included in the rejecting class receives or retains under the plan property of a value, as of the effective date of the plan, equal to the greatest of the allowed amount of (i) any fixed liquidation preference to which such holder is entitled, (ii) the fixed redemption price to which such holder is entitled, or (iii) the value of the interest; or (b) the holder of any interest that is junior to the interests of the rejecting class will not receive or retain any property under the plan.

The Debtor believes that the Plan and the treatment of all impaired Classes under the Plan satisfy the foregoing requirements for nonconsensual confirmation of the Plan.

2. Unfair Discrimination.

A plan of reorganization does not "discriminate unfairly" if a dissenting class is treated substantially equally with respect to other classes similarly situated and no class receives more than it is legally entitled to receive for its claims or interests. The Debtor believes that the Plan does not discriminate unfairly against any impaired Class.

E. Effects of Confirmation.

1. Vesting of Estate Property.

As of the Effective Date, the Reorganized Debtor shall be revested with title to all property of its estate, free and clear of all liens, Claims and other interests, except to the extent provided in the Plan or in the Confirmation Order. As of the Effective Date, the Debtor may use and dispose and otherwise deal with such property and may conduct its affairs, in each case, without supervision of the Bankruptcy Court and free of any restrictions imposed by the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or the Confirmation Order.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

2. Discharge.

Except, as otherwise provided in the Plan or in the Confirmation Order, on the Effective Date, pursuant to section 1141(d) of the Bankruptcy Code, Debtor shall be discharged from all liability on any and all Claims against the Debtor that arose at any time before the Effective Date; provided, however, that to the extent that the GIDI Unsecured Claim under Class 2 and the Ivory Unsecured Claim under Class 2 do not receive full payment prior to the sixtieth month following the Effective Date, such Claims shall not be so discharged.

3. Exculpation.

Section 8.7 of the Plan provides:

> Neither the Debtor, nor any of its respective officers, directors, members, representatives or agents who served as such during this Bankruptcy Case, shall have or incur any liability to any Entity for any act or omission in connection with or arising out of the negotiation of this Plan, the pursuit of confirmation of this Plan, the pursuit of approval of the Disclosure Statement, the consummation of this Plan, the transactions contemplated and effectuated by this Plan, the administration of this Plan or any other act or omission during the administration of this Bankruptcy Case or the Debtor's estate. Notwithstanding the foregoing, Claims arising from gross negligence or willful misconduct on behalf of the Debtor are not waived or released in any manner by this Plan. In all respects, the Debtor will be entitled to rely upon the advice of counsel with respect to its duties and responsibilities under this Plan.

4. Effect on Insurance Policies.

Section 8.8 of the Plan addresses insurance policies issued to the Debtor and the various agreements related to such policies.

X. ALTERNATIVES TO THE PLAN

The Debtor believes that the Plan affords its creditors the greatest opportunity for realization on their assets and the greatest possible value that could be realized on their claims. The Debtor also believe that the Plan is fair and reasonable in its treatment of all constituencies. Possible alternatives to the Plan which might arise if the Plan is rejected or if the Bankruptcy

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

Court refuses to confirm the Plan include (i) dismissal of the Bankruptcy Case; (ii) conversion of the Bankruptcy Case to a case under chapter 7 of the Bankruptcy Code, which would entail the mandatory appointment of a trustee; (iii) submission by the Debtor of an alternative plan or the filing by another party in interest of an alternative or competing plan; and (iv) the appointment of a chapter 11 trustee for the purpose of operating the Debtor's business activities, administering the Debtor's assets, and filing an alternative plan.

XI. RISK FACTORS

This Disclosure Statement contains forward-looking statements that involve risks and uncertainties. The Debtor's income is dependent on a revenue stream generated by its business ventures. As such, any risk effecting the custom headwear and wholesale steel businesses (including but not limited to changing economic conditions in the surrounding area, and condemnation through eminent domain) could have negative impacts on the Debtor.

The foregoing discussion of risk factors is intended to be a non-exclusive summary of certain of those risks and uncertainties. Creditors should consider carefully these risks and are encouraged to supplement this summary with their own analysis and evaluation of the Plan.

XII. FEDERAL TAX CONSEQUENCES OF THE PLAN

Circular 230 Notice: We must inform you that to ensure compliance with the requirements imposed by the Internal Revenue Service, any federal tax advice contained in this document relating to federal taxes, was not intended or written to be used or relied upon, and it cannot be used or relied upon, for the purpose of avoiding tax related penalties that may be imposed under federal tax law. Under these rules, a taxpayer may rely on professional advice to avoid federal tax penalties only if that advice is reflected in a comprehensive tax opinion that conforms to stringent requirements under federal law. This discussion was written in connection with the Debtor soliciting acceptances of the Plan through this Disclosure Statement.

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

A. Scope of Discussion.

The following discussion summarizes in general terms certain material federal income tax consequences of the implementation of the Plan based upon existing provisions of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), court decisions, and current administrative rulings and practice. This summary does not address the federal income tax consequences of the Plan to holders of priority claims or of secured claims, nor does it address any state, local or foreign tax matters or the federal income tax consequences to certain types of creditors (including financial institutions, life insurance companies, tax exempt organizations and foreign taxpayers) to which special rules may apply. No rulings or opinions have been or will be requested from the Internal Revenue Service with respect to any of the tax aspects of the Plan. The Debtor is not making any representations regarding the particular tax consequences of confirmation and consummation of the Plan as to creditors or Equity Interest holders, nor the Debtor or its professionals rendering any form of legal opinion or tax advice as to such tax consequences. The tax laws applicable to corporations in bankruptcy are complex and are subject to significant uncertainties. Each creditor and shareholder is urged to consult his, her or its own tax advisor as to the consequences of the Plan under federal and applicable state, local and foreign tax laws. Accordingly, the following summary of federal income tax consequences of the Plan is for informational purposes only and should not be construed as tax advice.

B. Tax Consequences to Holders of General Unsecured Claims.

Except as otherwise provided under the Plan, holders of Allowed Unsecured Claims will receive one or more Cash distributions in full satisfaction of their Claims. In connection with the implementation of the Plan, each holder of an Allowed Unsecured Claim generally will recognize gain or loss for federal income tax purposes. The timing and amount of that gain or loss will depend upon a number of factors, including whether the holder reports income as an accrual basis taxpayer or as a cash basis taxpayer, whether the holder will receive multiple

PERKINS COIE LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

distributions pursuant to the Plan and whether the Debtor's obligations to make payments will be treated as a new debt obligation for federal income purposes.

In addition, the character of any gain or loss recognized by a creditor as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the creditor, whether the obligation from which the creditor's claim arose constitutes a capital asset in the hands of the creditor, whether the obligation from which the claim arose has been held for more than one year, the allocation of any distributions received between principal and unpaid accrued interest, whether and to what extent the creditor has previously claimed a bad debt deduction, and the extent (if any) to which interest may be imputed where multiple distributions are received.

Because each creditor's circumstances may be different, each creditor is urged to consult his, her or its own tax advisor regarding the specific federal income tax consequences to that creditor of implementation of the Plan.

XIII. CONCLUSION AND RECOMMENDATION

The Debtor believes that confirmation and implementation of the Plan is preferable to any alternative because it will provide the greatest recoveries to its creditors. For this reason, the Debtor urges all creditors entitled to vote to accept the Plan.

DATED: May 26, 2015

PERKINS COIE LLP

By: /s/ Douglas R. Pahl
Douglas R. Pahl, OSB No. 950476
DPahl@perkinscoie.com
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Telephone: 503.727.2000
Facsimile: 503.727.2222

Attorneys for Debtor
Ivory Trading Company, Inc.
dba Ivory Headwear, Co.

EXHIBIT A

Plan of Reorganization

Douglas R. Pahl, OSB No. 950476
DPahl@perkinscoie.com
PERKINS COIE LLP
1120 NW Couch Street, 10th Floor
Portland, Oregon 97209
Telephone: 503-727-2000
Facsimile: 504 346-2222

Attorneys for Debtor
Ivory Trading Company, Inc.
dba Ivory Headwear Co.

UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF OREGON

In re Ivory Trading Company, Inc. dba Ivory Headwear, Co. Debtor.	Case No. 15-32026-pcm11 **DEBTOR'S CHAPTER 11 PLAN OF REORGANIZATION**

Ivory Trading Company, Inc. dba Ivory Headwear, Co. proposes the following plan of reorganization pursuant to section 1121(a) of the Bankruptcy Code.

All creditors are encouraged to consult the Disclosure Statement before voting to accept or reject this Plan. The Disclosure Statement contains a discussion of the Debtor's prepetition and postpetition activities and a summary and analysis of this Plan.

ARTICLE 1
DEFINITIONS AND RULES OF CONSTRUCTION

Whenever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter shall include the masculine, feminine and the neuter. The words "herein," "hereto," "hereof," "hereunder" and others of similar import refer to this Plan as a whole and not

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

to any particular article, section, subsection, or clause contained in this Plan. Any term used in this Plan that is not herein defined but is used in the Bankruptcy Code shall have the meaning assigned to the term in the Bankruptcy Code.

The rules of construction used in section 102 of the Bankruptcy Code will apply to the construction of this Plan.

Unless the context requires otherwise, the following words and phrases shall have the meaning set forth below when used in initially capitalized form in this Plan:

"Administrative Claim" means a Claim for payment of an administrative expense of a kind specified in section 503(b) of the Bankruptcy Code and referred to in section 507(a)(1) of the Bankruptcy Code, including, without limitation, the actual, necessary costs and expenses of preserving the Estate and operating the businesses of the Debtor, including wages, salaries, or commissions for services rendered after the Petition Date, compensation for legal and other services and reimbursement of expenses awarded under section 330(a) or 331 of the Bankruptcy Code, and all fees and charges assessed against the Estate under section 1930 of title 28 of the United States Code, and all fees and charged assessed against the Estate under section 1930 of title 28 of the United States Code.

"Allowed" means with respect to Claims: (i) any Claim against the Debtor, proof of which is timely Filed, or which by order of the Bankruptcy Court is not or will not be required to be Filed; or (ii) any Claim that has been or is hereafter listed in the Schedules Filed by the Debtor as liquidated in amount and not disputed or contingent and in each case as to which either (a) no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court or (b) such an objection is so interposed and the Claim will have been allowed by a Final Order (but only to the extent so allowed), or (iii) any Claim Allowed pursuant to this Plan. A Claim is not an Allowed Claim merely because it has been described, treated or defined in this Plan. Except as specifically provided, an Allowed Claim will not include interest on the principal amount of such

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

Claim from and after the Petition Date. Notwithstanding the foregoing, Claims will be Allowed to the extent that this Plan provides that they are deemed Allowed.

"Avoidance Actions" means all avoidance claims arising under Chapter 5 of the Bankruptcy Code or otherwise and the proceeds thereof, of whatever kind or nature, and whether asserted or unasserted, including, but not limited to, all avoidance actions instituted pursuant to sections 510, 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code.

"Bankruptcy Case" means *In re Ivory Trading Company, Inc. dba Ivory Headwear, Co.*, Case No. 15-32026-pcm11, currently pending in the Bankruptcy Court.

"Bankruptcy Code" means title 11 of the United States Code, as amended from time to time, as applicable to the Bankruptcy Case.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Oregon.

"Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure promulgated under section 2075 of title 28 of the United States Code, as amended from time to time, and any and all applicable local rules of the Bankruptcy Court, as the same may from time to time be in effect and applicable to the Bankruptcy Case and other related proceedings.

"Bar Date" means August 31, 2015, the date set pursuant to the Notice of Chapter 11 Bankruptcy Case, Meeting of Creditors, and Deadlines (ECF No. 8) as the last date to file proofs of claim against the Debtor.

"BOTW Loan Documents" means that certain Promissory Note in the original principal amount of $2,000,000.00, dated as of September 13, 2004, made by Debtor to the order of BOTW, and all other associated instruments and documents.

"BOTW" means Bank of the West, or any assignee of all or part of BOTW's Class 1 Claim.

"Business Day" means any day other than a Saturday, Sunday or a "legal holiday" listed in Bankruptcy Rule 9006(a).

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

"Cash" means legal tender issued by the government of the United States of America irrespective of the method of payment.

"Causes of Action" means any and all causes of actions of the estate, of whatever kind or nature, and whether asserted or unasserted, including, without limitation Avoidance Actions.

"Claim" means (i) a right to payment from the Estate (including, without limitation, a guaranty), whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured; or (ii) a right to an equitable remedy for breach of performance from the Estate if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

"Class" means a Class of Claims or Interests, as described in Article 3 of this Plan in accordance with section 1123(a)(1) of the Bankruptcy Code.

"Confirmation Date" means the date on which the Confirmation Order is entered on the docket maintained by the Bankruptcy Court.

"Confirmation Order" means the order of the Bankruptcy Court confirming this Plan under section 1129 of the Bankruptcy Code.

"Confirmation" means the entry of the Confirmation Order by the Bankruptcy Court confirming this Plan.

"Creditor" means an entity with a Claim against the Debtor, consistent with the definition set forth in section 101(10) of the Bankruptcy Code.

"Cure" means the distribution of Cash, or such other property or undertaking as may be agreed on by the parties, with respect to the assumption of an executory contract or unexpired lease under section 365(b) of the Bankruptcy Code, in an amount equal to all accrued, due and unpaid monetary obligations, without interest, as of the Effective Date, or such other amount as may be agreed on by the parties, under such executory contract or unexpired leases, to the extent such obligations are enforceable under the Bankruptcy Code and applicable nonbankruptcy law.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

“Debtor” means Ivory Trading Company, Inc. dba Ivory Headwear, Co.

“Disclosure Statement” means the disclosure statement, dated May 26, 2015, as amended, supplemented or modified from time to time, describing the Debtor’s Plan of Reorganization dated May 26, 2015, prepared in accordance with section 1126(b) of the Bankruptcy Code.

“Disputed Claim” means (i) a Claim against the Debtor that was not timely Filed; (ii) a Claim against the Debtor, to the extent that a proof of Claim has been timely Filed or deemed timely Filed under applicable law, as to which an objection has been timely Filed by the Debtor or any other party in interest and which objection has not been withdrawn and has not been denied by a Final Order; (iii) a Claim for which no proof of claim was Filed and that was listed in the Schedules as contingent, disputed or unliquidated; and (iv) the Claim of any creditor appealing the Confirmation Order.

“Distribution Date” means as to each Class of Claims, the date on which distributions are to be made as set forth in this Plan.

“Effective Date” means the day that (i) is at least fifteen days after the Confirmation Date and (ii) all conditions precedent to this Plan as set forth in Section 7.1 have been satisfied, or, if such date is not a Business Day, the next succeeding Business Day; provided, that if a stay of the Confirmation Order is then in effect, the Effective Date will be the first Business Day after the stay is lifted.

“Entity” means any individual, corporation, limited liability company or similar entity, limited or general partnership, joint venture, association, joint stock company, estate, entity, trust, trustee, U.S. Trustee, unincorporated organization, government, governmental unit (as defined in the Bankruptcy Code), agency or political subdivision thereof.

“Equity Interest” means any equity interest in the Debtor represented by any certificated or uncertificated shares or membership interest issued to any person before the Effective Date, and any warrants, options, or rights to purchase any equity interest in the Debtor.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

"Estate" means the estate of the Debtor created by section 541 of the Bankruptcy Code, including all Causes of Action.

"Fee Claim" means a Claim under sections 326, 330 or 503 of the Bankruptcy Code for allowance of compensation and reimbursement of expenses in the Bankruptcy Case.

"Filed" means filed with the Bankruptcy Court in the Bankruptcy Case.

"Final Order" means an order, ruling or judgment that is no longer subject to review, reversal, modification or amendment by appeal or writ of certiorari.

"Loan Modification" means the agreement amending the BOTW Loan Documents, in substantially the form attached hereto as **Exhibit 1**.

"GIDI Unsecured Claim" means the scheduled Allowed unsecured claim of GIDI Productions in the amount of $36,693.30.

"Ivory Unsecured Claim" means the scheduled Allowed unsecured claim of GIDI Productions in the amount of $32,510.93.

"Petition Date" means April 24, 2015, the date this Bankruptcy Case was commenced.

"Plan" means this chapter 11 plan of reorganization together with all exhibits and attachments hereto, either in its present form or as it may be altered, amended or modified pursuant to section 9.2 of this Plan and applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

"Priority Claim" means any Claim, other than a Priority Tax Claim or an Administrative Claim, which is entitled to priority in payment under section 507(a) of the Bankruptcy Code.

"Priority Tax Claim" means any Claim that is entitled to priority in payment under section 507(a)(8) of the Bankruptcy Code.

"Pro Rata" means at any particular time, with respect to each Class of Claims, the same proportion that the Allowed amount of a Claim in such Class of Claims bears to the aggregate of: (i) the Allowed amount of all such Claims, plus (ii) the aggregate asserted amount of all

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

Disputed Claims of such Class of Claims, as reduced from time to time as and to the extent that the Allowed amount of such Claim is determined.

"Rejection Claim" means a Claim arising from the Debtor's rejection of an executory contract or unexpired lease either during the Chapter 11 Cases or under the Plan, other than a Claim for unpaid rent or contract payments arising under a rejected executory contract or unexpired lease after the Petition Date and before the effective date of the rejection of that contract or lease.

"Reorganized Debtor" means Debtor after the Effective Date.

"Schedules" means the schedules of assets and liabilities Filed by the Debtor with the Bankruptcy Court in accordance with section 521(a)(1) of the Bankruptcy Code, including any supplements or amendments made thereto pursuant to Bankruptcy Rule 1009.

"Secured Claim" means any Claim that is secured by a validly existing and properly perfected security interest, either by deed of trust, mortgage or financing statement, or pursuant to applicable law, in property of the Debtor.

"U.S. Trustee" means the Office of the United States Trustee.

"Unsecured Claims" means all Allowed Claims not otherwise classified or designated in this Plan.

ARTICLE 2
PROVISIONS FOR TREATMENT OF ADMINISTRATIVE AND PRIORITY TAX CLAIMS

2.1 **Unclassified Claims**. Under Bankruptcy Code § 1123(a)(1), Administrative Claims and Priority Tax Claims are not classified for purposes of voting on, or receiving distributions under, the Plan. Holders of Administrative Claims and Priority Tax Claims are not entitled to vote on the Plan but, rather, are treated separately in accordance with this article and under Bankruptcy Code § 1129(a)(9)(A).

2.2 **Administrative Claims**. Each Allowed Administrative Claim (other than a Fee Claim) is paid in full in Cash (or otherwise satisfied in accordance with its terms) on the

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

latest of: (a) the Effective Date, or as soon after that date as feasible; (b) any date the Bankruptcy Court may fix, or as soon after that date as feasible; (c) 30 days after the Claim is Allowed; and (d) any date on which the holder of the Claim and the Debtor or Reorganized Debtor agree; provided, however, that Administrative Claims representing indebtedness or other obligations incurred in the ordinary course of business of the Debtor will be paid in accordance with any terms and conditions of any agreement or order relating thereto.

2.3 Professional Fees. Each Allowed Fee Claim is paid in full in Cash on the latest of: (a) three Business Days after the Fee Claim is Allowed; and (b) another date on which the holder of the Fee Claim and the Debtor or Reorganized Debtor agree. Each Person seeking an award by the Bankruptcy Court of professional fees must File and serve on the Debtor or Reorganized Debtor its final application for allowance of compensation for services rendered and reimbursement of expenses incurred through the Effective Date no later than 45 days after the Effective Date. The failure to timely file the fee application as required under this section will result in the Fee Claim being forever barred and discharged. A Fee Claim with respect to which a fee application has been properly Filed pursuant to this section will become an Allowed Administrative Claim only to the extent allowed by Final Order.

2.4 Priority Tax Claims. Except as provided in this section, all Allowed Priority Tax Claims are paid in full in Cash on the latest of: (a) the Effective Date (or as soon after that date as feasible); and (b) 30 days after the Claim is Allowed. Reorganized Debtor may elect to pay any Allowed Priority Tax Claim through regular installment payments in Cash of a total value, as of the Effective Date, equal to the Allowed amount of the Claim, over a period ending not later than five years after the Petition Date, and in a manner not less favorable than the most favored Unsecured Claim provided for by the Plan. Accordingly, if Reorganized Debtor so elects, the installment payments will be made in the same manner as the installment payments made on account of the Allowed Unsecured Claims in Class 2, beginning on the latest of: (a) the Effective Date, or as soon after that date as feasible; (b) 30 days after the Claim is Allowed, or as

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

soon after that date as feasible; and (c) another date on which the holder of the Claim and the Debtor or Reorganized Debtor agree. Reorganized Debtor retains the right to prepay any Allowed Priority Tax Claim, or any remaining balance of such a Claim, in full or in part, at any time on or after the Effective Date without premium or penalty.

ARTICLE 3
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

3.1 **Class 1 – BOTW Claim**. Class 1 consists of the Allowed Secured Claim of BOTW in the amount of $533,056.56.

3.1.1 **Impairment and Voting**. Class 1 is impaired. BOTW is entitled to vote on the Plan.

3.1.2 **Treatment**. The Allowed Class 1 Claim will receive the following treatment:

(a) On the Effective Date, or as soon thereafter as is practicable, the Reorganized Debtor and BOTW shall execute and deliver the Loan Modification. The provisions of the BOTW Loan Documents will remain unchanged, except as modified by the Plan and the Loan Modification.

(b) Through and including the sixtieth month following the Effective Date, interest will accrue on the unpaid balance of the Allowed Class 1 Claim at 4.75%.

(c) The Allowed Class 1 Claim shall be paid as follows: (a) beginning the first Business Day after the first day of the month following the Effective Date, the Reorganized Debtor will make monthly payments of principal and interest based on a seven-year amortization schedule at 4.75%; (b) the Reorganized Debtor shall continue to make substantially equal payments on the first Business Day of each month thereafter; and (c) all unpaid amounts due on the Allowed Class 1 Claim will be paid no later than the first Business Day of the sixtieth month following the Effective Date.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

(d) Reorganized Debtor retains the right to prepay the Allowed Class 1 Claim, in full or in part, at any time on or after the Effective Date without premium or penalty.

(e) As security for the repayment of the Allowed Class 1 Claim under the Plan, BOTW will retain all liens and security interests in the Debtor's property existing on the Petition Date and limited by sections 552(a) and (b) of the Bankruptcy Code. BOTW is granted no liens or security interests in any other property of the Debtor or Reorganized Debtor not existing on the Petition Date and in accordance with sections 552(a) and (b) of the Bankruptcy Code.

3.2 Class 2 – General Unsecured Claims. Class 2 consists of all Allowed Unsecured Claims, including the GIDI Unsecured Claim and the Ivory Unsecured Claim, in amounts in excess of $13,000.

3.2.1 Impairment and Voting. Class 2 is impaired. Holders of Allowed Class 2 Claims are entitled to vote on the Plan, except that the holders of the GIDI Unsecured Claim and the Ivory Unsecured Claim, which will not vote.

3.2.2 Treatment. The Reorganized Debtor shall pay to each holder of an Allowed Class 2 Claim (other than the holders of the GIDI Unsecured Claim and the Ivory Unsecured Claim, who shall be paid only after other holders of Allowed Class 2 Claims are paid in full hereunder), in Cash, the amount of such Allowed Claim without interest. Each such holder will receive, beginning on first Business Day of the first month following the Effective Date, such holder's Pro Rata share of $5,000. Reorganized Debtor shall continue to make substantially equal payments on the first Business Day of each month thereafter, until Allowed Class 2 Claims are paid in full. Debtor estimates that Allowed Class 2 Claims, not including GIDI Unsecured Claim and the Ivory Unsecured Claim, will be paid in full in sixty months.

3.3 Class 3 – Small Unsecured Claims. Class 3 consists of all Allowed Unsecured Claims in amounts less than $13,000.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

3.3.1 Impairment and Voting. Class 3 is impaired. Holders of Allowed Class 3 Claims are entitled to vote on the Plan.

3.3.2 Treatment. The Reorganized Debtor shall pay to each holder of an Allowed Class 3 Claim, in Cash, the amount of such Allowed Claim without interest. Each such holder will receive, on first Business Day after sixty days after the Effective Date, payment in full, in cash, of its Allowed Claim without interest.

3.4 Class 4 – Equity Interests. Class 4 consists of all Equity Interests outstanding as of the Effective Date.

3.4.1 Impairment and Voting. Class 4 is unimpaired and holders of Equity Interests are not entitled to vote on the Plan.

3.4.2 Treatment. All legal, equitable, and contractual rights of holders of Equity Interests with respect to their respective Equity Interests shall remain unaltered.

ARTICLE 4
MEANS FOR IMPLEMENTATION AND EXECUTION OF THE PLAN

4.1 Effective Date Transactions. Cash payments on and after the Effective Date on account of Allowed Administrative Claims, Allowed Priority Tax Claims, and Allowed Priority Claims under the Plan, and any Cure required under Section 6.3 of the Plan, are made from the Debtor’s Cash. The Debtor must reserve sufficient Cash on the Effective Date to make all required payments on account of Administrative Claims, Priority Claims, and Cure amounts. All Cash not so reserved vests in Reorganized Debtor on the Effective Date. Any Cash remaining on reserve after all Administrative Claims, Priority Tax Claims, Priority Claims and Cure amounts have been either Disallowed or Allowed and paid in accordance with the Plan vests in Reorganized Debtor.

4.2 Amendment of Articles of Incorporation. Debtor shall amend its articles of incorporation and bylaws as necessary to comply with the provisions of section 1123(a)(6) of the Bankruptcy Code and otherwise in a manner not inconsistent with this Plan.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

4.3 Continuation of Business. From and after the Effective Date, the Reorganized Debtor shall operate its business in a manner consistent with this Plan.

4.4 Management and Operations.

4.4.1 Initial Board of Directors. The initial board of directors of Reorganized Debtor as of the Effective Date is comprised of the following director: Michael Ivory.

4.4.2 Initial Officers. The initial officer of Reorganized Debtor as of the Effective Date is Michael Ivory, president.

4.5 Plan Funding. This Plan will be funded by a combination of the Debtor's Cash on hand as of the Effective Date, Cash that is collected or generated by the Reorganized Debtor after the Effective Date, and, if necessary, a new value contribution made by one or more holders of Equity Interests.

4.6 Preservation of Causes of Action and Avoidance Actions. Except as otherwise provided in orders entered in the Bankruptcy Case, all Causes of Action and Avoidance Actions are preserved and reserved for later adjudication in accordance with this Plan, and therefore no preclusion doctrine, including, without limitation, the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches will apply to those claims or causes of action on or after Confirmation or the Effective Date. The failure to specifically list or otherwise identify an Avoidance Claim or Cause of Action in this Plan or the Disclosure Statement: (i) is not intended to effect, and to the extent permitted by law will not be deemed to effect a release or waiver of such Avoidance Claim or Cause of Action; and (ii) is not intended to impair, and to the extent permitted by law will not impair, the Reorganized Debtor's right to pursue such an Avoidance Claim or Cause of Action.

4.7 Compensation of Professionals. All professionals employed after the Effective Date by the Reorganized Debtor and prior to the closing of the Bankruptcy Case will be paid by the Reorganized Debtor without the need for Bankruptcy Court approval.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

4.8 Performance of Plan Obligations by Reorganized Debtor. The Reorganized Debtor shall: (i) in the exercise of its business judgment, review all Claims and, as advisable, file objections, settle, compromise, withdraw, or litigate objections to Claims; (ii) in the exercise of its business judgment, enforce, sue on, or settle and compromise Causes of Action; (iii) serve as the disbursing agent, without bond, for purposes of making distributions to Creditors and other in accordance with this Plan; and (iv) otherwise perform its obligations under this Plan, in each case, as and when the same become due to be paid or performed.

ARTICLE 5
PROVISIONS GOVERNING DISTRIBUTIONS AND DISPUTED CLAIMS

5.1 Timing of Distributions. Except as otherwise provided for herein or ordered by the Bankruptcy Court, distributions under this Plan shall be made on the Effective Date and on each Distribution Date, or, in each case, as soon thereafter as is practicable.

5.2 Form of Payment. Unless otherwise agreed by the Reorganized Debtor, each Cash distribution pursuant to this Plan will be made by check. If the payee requests that distributions be made by electronic fund transfer, the payee shall be responsible for payment of any associated fees.

5.3 Withholding Taxes. In connection with the Plan, the Reorganized Debtor shall comply with all applicable withholding and reporting requirements imposed by any federal, state, or local taxing authority. Any federal, state, or local withholding taxes or other amounts required to be withheld under applicable law will be deducted from distributions made under the Plan. All entities holding Claims shall provide Debtor or Reorganized Debtor with any information necessary to effect the withholding or reporting of such amounts. The Reorganized Debtor may make receipt of such information a condition for distribution of funds.

5.4 Third Party Recoveries. To the extent that the holder of a Claim entitled to payment under this Plan receives payment in full or in part on any amounts asserted against the Debtor, such Claim shall be reduced by the amount of any such payment or distribution.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

5.5 Undeliverable or Unclaimed Distributions. For a period of 180 days after any particular distribution is made pursuant to this Plan, distributions that are unclaimed, including (i) checks that have been returned as undeliverable without a proper forwarding address, and (ii) checks that were not mailed or delivered because of the absence of a proper address to which to mail or deliver the same, will be distributed to the holders of Allowed Claims entitled thereto upon presentment to the Reorganized Debtor of satisfactory proof of entitlement. The Reorganized Debtor shall make a reasonable effort to ascertain the correct mailing address from information generally available to the public for each holder of an Allowed Claim whose check or other property cannot be mailed or delivered because of the absence of a proper address or whose check has been returned without a proper forwarding address. On the first day after the expiration of such 180-day period: (i) holders of Allowed Claims previously entitled to such undeliverable or unclaimed distribution are no longer entitled to such distribution, and (ii) such Claims are deemed disallowed for all purposes, including any future distributions. Pursuant to section 347(b) of the Bankruptcy Code, all disbursements made under this Plan that remain unclaimed as set forth herein will become property of the Reorganized Debtor.

5.6 Time Bar to Cashing Distribution Checks. Reorganized Debtor may (but shall not be obligated to) stop payment on any check issued by it in respect of Allowed Claims if such check is not presented for payment within 60 days after the date of issuance thereof. Any request for reissuance of any check shall be made to the Reorganized Debtor in accordance with this Plan, by the holder of the Allowed Claim to whom such check originally was issued, prior to the expiration of the 180-day period set forth in Section 5.5 of this Plan. After such date, the holder of any such Claim who has failed to make a timely request for reissuance of such a voided check shall not be entitled to any other or further distribution under this Plan on account of such voided check or such Claim.

5.7 Transmittal of Distributions and Notices. Any property or notices, including distributions, that an entity is or becomes entitled to receive pursuant to this Plan may

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

be delivered by regular mail, postage prepaid, in an envelope addressed to that entity at the address indicated on a properly Filed proof of claim or, absent such a proof of claim, the address that is listed on the Schedules; *provided, however*, that a holder of a Claim may designate a different address for notices and distributions by notifying the Reorganized Debtor of a change of address in writing. The new address shall be effective upon receipt by the Reorganized Debtor of such notice.

5.8 **Disputed Claims**. Except as otherwise provided in the Plan, after the Effective Date, only the Reorganized Debtor has the authority to file objections to Claims (other than Administrative Expense Claims), or to settle, compromise, withdraw, or litigate such objections. Except as otherwise specifically provided in the Plan or the Confirmation Order, all objections to Claims other than Administrative Expense Claims must be Filed no later than 120 days after the Effective Date, unless such period is extended by order of the Bankruptcy Court.

No disbursement shall be made on account of a Disputed Claim as to which an objection has been interposed or as to which a counterclaim or setoff has been asserted, unless and until the objection, counterclaim, or setoff is finally resolved and such Disputed Claim is Allowed. Once a Disputed Claim is Allowed, the Reorganized Debtor shall make distributions on such Claim on the applicable Distribution Date. To the extent that any distribution was not made because such Claim was a Disputed Claim and not yet Allowed, the Reorganized Debtor shall make such distribution at the same time as the next distribution, such that such Creditor will have received all distributions it would have otherwise received if its Claim was Allowed on the Effective Date.

5.9 **Disputed Distributions**. If any dispute arises as to the identity of a holder of an Allowed Claim who is to receive any distribution under this Plan, the Reorganized Debtor shall not make any distributions on account of such Claim, but shall reserve funds for such distributions until the identity of the holder is determined by order of the Bankruptcy Court or by written agreement among the interested parties to such dispute.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

5.10 Limitations on Filing or Amending Claims After the Confirmation Date. Except as otherwise provided in the Plan, after the Confirmation Date, a proof of claim may be amended by the holder of such Claim solely to decrease, but not to increase, the amount of such Claim. Except as otherwise provided in this Plan and in the immediately preceding sentence, any proof of claim (whether Filed to assert a new Claim or to amend a previously Filed proof of claim) Filed after the Confirmation Date is deemed disallowed in full and expunged without any action by the Reorganized Debtor.

ARTICLE 6
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1 General Assumption of Executory Contracts and Unexpired Leases. All executory contracts and unexpired leases designated on **Exhibit 2** to the Plan as assumed are assumed as of the Effective Date, except for any executory contract or unexpired lease: (i) that has been rejected in accordance with a Final Order entered before the Confirmation Date; or (ii) as to which a motion to reject has been filed with the Bankruptcy Court before the Confirmation Date.

6.2 Rejection of Executory Contracts and Unexpired Leases. All executory contracts and unexpired leases either (i) designated on **Exhibit 2** to the Plan as rejected, or (ii) existing but not listed on Exhibit 2 to the Plan, are rejected as of the Effective Date, except for any executory contract or unexpired lease that has been assumed or rejected in accordance with a Final Order entered on or before the Confirmation Date.

6.3 Cure of Assumed Contracts and Leases. On the Effective Date or as soon after as is feasible, the Debtor must Cure any defaults under any executory contract or unexpired lease assumed under the Plan. Any monetary Cure required for the assumption of a particular contract or lease is indicated on Exhibit 2 to the Plan. Any non-Debtor party to any such contract or lease that disputes the amount of Cure indicated on Exhibit 2 to the Plan must file a written objection with the Bankruptcy Court no later than the deadline for objecting to

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

confirmation of the Plan. Any such objections not raised in that manner are waived. The Debtor will not, and need not, as a condition to assuming any executory contract or unexpired lease under the Plan, Cure any default that need not be cured under Bankruptcy Code § 365(b).

6.4 Rejection Claims Bar Date. All Rejection Claims must be filed on or before the thirtieth Business Day following the Confirmation Date; and any Rejection Claim filed after such date is forever barred. All Rejection Claims are Class 2 Unsecured Claims under the Plan. With respect to any executory contract or unexpired lease rejected by the Debtor before the Confirmation Date, the deadline for filing a Rejection Claim remains the deadline set forth in the order of the Bankruptcy Court authorizing that rejection. If the order did not contain such a deadline, the deadline for filing a Rejection Claim is the thirtieth Business Day following the Confirmation Date.

ARTICLE 7
CONDITIONS PRECEDENT TO EFFECTIVE DATE

7.1 Conditions Precedent to the Effective Date. The following are conditions precedent to the occurrence of the Effective Date, each of which must be satisfied or waived in accordance with section 7.2 of the Plan:

7.1.1 Confirmation. The Bankruptcy Court has entered the Confirmation Order, in form and substance reasonably satisfactory to the Debtor. The Confirmation Order must: (i) find that this Plan complies with all applicable requirements of the Bankruptcy Code, (ii) decree that the Confirmation Order supersedes any Court orders issued prior to the Confirmation Date that may be inconsistent therewith, (iii) decree that, except as otherwise provided in this Plan or in the Confirmation Order, all transfers of property contemplated under this Plan are free and clear of all Claims, security interests, liens, encumbrances and other interests of holders of Claims and Equity Interests, and (iv) provide that any and all executory contracts and unexpired leases that are assumed pursuant to this Plan shall remain in full force and effect for the benefit of the Reorganized Debtor, in each case, notwithstanding any provision

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

in any such contract or lease or in applicable law (including those described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts or conditions such transfer or that enables or requires termination or modification of such contract or lease; and (v) authorize the Debtor to take all actions necessary or appropriate to enter into, implement and consummate the contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with this Plan.

7.1.2 No Stay. No stay of the Confirmation Order is in effect at the time the other conditions set forth in this section 7.1 have been satisfied or waived.

7.1.3 Collateral Documents. All documents, instruments and agreements, each in form and substance satisfactory to the Debtor, provided for under or necessary to implement this Plan, have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the party to be benefited thereby.

7.2 Waiver of Conditions. The Debtor may waive any of the conditions to the effectiveness of this Plan set forth in section 7.1 hereof.

7.3 Notice of Effective Date. On the first Business Day after the Confirmation Date on which all conditions to effectiveness of this Plan are satisfied or waived, or as soon thereafter as is reasonably practicable, the Reorganized Debtor shall file with the Bankruptcy Court a notice that states the date on which the Effective Date occurred. This Plan is to be deemed to be effective as of 12:01 a.m. (prevailing Pacific Time) on the Effective Date set forth in such notice Filed with the Bankruptcy Court.

ARTICLE 8
EFFECT OF CONFIRMATION

8.1 Effect of Appeals. Notwithstanding the pendency of an appeal from the Confirmation Order or the timely service and filing of a motion under Bankruptcy Rules 7052, 8002(b), 8002(c), 8003, 8015, 9023 or 9024, the Debtor may, but is not be required to, consummate this Plan, unless the Confirmation Order is stayed pending appeal.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

8.2 **Binding Effect**. On the Effective Date, pursuant to section 1141(a) of the Bankruptcy Code, the provisions of this Plan are binding upon the Debtor, the Reorganized Debtor, all Creditors and all holders of Equity Interests, including each of their respective heirs, legal representatives, successors and assigns, whether or not they accept this Plan.

8.3 **Revesting of Property**. Except as otherwise provided in the Plan or in the Confirmation Order, on the Effective Date, pursuant to sections 1123(a)(5) and 1141 of the Bankruptcy Code, all property of the Estate will vest in the Reorganized Debtor, free and clear of all liens, Claims, charges, encumbrances, and other interests of Creditors and holders of Equity Interests. As of the Effective Date, the Reorganized Debtor may use and dispose and otherwise deal with such property and may conduct its affairs, in each case, without supervision of the Bankruptcy Court and free of any restrictions imposed by the Bankruptcy Code or the Bankruptcy Rules, other than those restrictions expressly imposed by this Plan or the Confirmation Order.

8.4 **Discharge**. Except as otherwise provided in the Plan or in the Confirmation Order, on the Effective Date, pursuant to section 1141(d) of the Bankruptcy Code, the Debtor and the Reorganized Debtor, and each of them, are discharged from all liability on any and all Claims that arose before the Confirmation Date; provided, however, that that to the extent that the GIDI Unsecured Claim or the Ivory Unsecured Claim do not receive full payment prior to the eighty-fourth month following the Effective Date, such Claims shall not be so discharged. This discharge is effective on the Effective Date as to each such Claim, regardless whether: (i) a proof of claim is filed or deemed filed; (ii) the Claim is an Allowed Claim under the Plan; or, (iii) the holder of the Claim votes to accept or reject the Plan.

8.5 **Term of Injunction or Stays**. Unless otherwise provided herein, any injunction or stay arising under or entered during the Bankruptcy Case under sections 105 or 362 of the Bankruptcy Code or otherwise that is in existence on the Confirmation Date shall remain in full force and effect until the Effective Date.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

8.6 **Exculpation**. Neither the Debtor, nor any of its respective officers, directors, members, representatives or agents who served as such during this Bankruptcy Case, shall have or incur any liability to any Entity for any act or omission in connection with or arising out of the negotiation of this Plan, the pursuit of confirmation of this Plan, the pursuit of approval of the Disclosure Statement, the consummation of this Plan, the transactions contemplated and effectuated by this Plan, the administration of this Plan or any other act or omission during the administration of this Bankruptcy Case or the Debtor's estate. Notwithstanding the foregoing, Claims arising from gross negligence or willful misconduct on behalf of the Debtor are not waived or released in any manner by this Plan. In all respects, the Debtor will be entitled to rely upon the advice of counsel with respect to its duties and responsibilities under this Plan.

8.7 **Effect on Insurance Policies**. Except as otherwise provided in the next sentence, and notwithstanding anything to the contrary contained elsewhere in the Plan (including any provision herein that purports to be preemptory or supervening,) the respective rights, obligations and defenses of the insured and insurer under each insurance policy issued to the Debtor or under the agreements related to such policies shall be unaffected by this Plan. Any and all Claims of the insurers based on policies issued before the Petition Date, whether such Claims arise under the policy documents or otherwise, shall be discharged under section 8.4 herein, and be classified as Class 2 Claims under the Plan.

ARTICLE 9
MISCELLANEOUS PROVISIONS

9.1 **Withdrawal or Revocation**. The Debtor reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Plan is revoked or withdrawn, or if the Confirmation Date does not occur, the Plan has no force and effect and in such event nothing contained herein will be deemed to constitute a waiver or release of any Claims by or against the Estate or any other entity, or to prejudice in any other manner the rights of the Debtor, the Estate,

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

or any other entity in further proceedings involving the Debtor and specifically will not modify or affect the rights of any party under any prior orders of the Bankruptcy Court.

9.2 Modifications. The Debtor reserves the right to alter, amend, or modify the Plan prior to the entry of the Confirmation Order. After entry of the Confirmation Order (whether or not the Plan has been substantially consummated), upon order of the Bankruptcy Court after notice and a hearing, the Debtor or Reorganized Debtor, as the case may be, may alter, amend, or modify the Plan, in accordance with the provisions of section 1127(b) of the Bankruptcy Code, or may remedy any defect or omission or reconcile any inconsistency in the Plan or in the Confirmation Order in such manner as may be necessary to carry out the purposes and intent of this Plan so long as the interests of claimants are not materially and adversely affected.

9.3 Retention of Jurisdiction. The Bankruptcy Court will retain jurisdiction over all matters arising out of or related to the Bankruptcy Case and this Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code until the Effective Date. From and after the Effective Date, until this Plan has been fully administered, including after the closing of the Bankruptcy Case by the Bankruptcy Court pursuant to section 350(a) of the Bankruptcy Code and Bankruptcy Rule 3022, the Bankruptcy Court will retain and have jurisdiction over the Debtor, the Estate, the Reorganized Debtor, and the Bankruptcy Case for the purposes of determining all matters presented by or arising under this Plan, including, without limitation, jurisdiction to:

(a) enforce and administer the provisions of this Plan, including taking any action to enforce this Plan, and issue such orders as may be necessary for the implementation, execution and consummation of this Plan and the determination of any and all disputes arising under or in connection with this Plan;

(b) determine the allowance or classification of Claims and determine any objections or disputes thereto;

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

(c) determine any and all applications, motions, adversary proceedings, and contested matters pending before the Bankruptcy Court as of the Effective Date or arising in or related to the Bankruptcy Case or this Plan;

(d) determine any and all Fee Claims incurred in this Bankruptcy Case;

(e) determine any other request for payment of Administrative Claims;

(f) correct any defect, cure any omission or reconcile any inconsistency in this Plan or the Confirmation Order as may be necessary to carry out the provisions, purposes and intent of this Plan;

(g) approve and confirm any modification of this Plan;

(h) enter and implement such orders as may be appropriate if the Confirmation Order is for any reason stayed, revoked, modified, or vacated;

(i) consider the compromise and settlement of any Claim against the Debtor or the Estate;

(j) determine such other matters as may be provided for in the Confirmation Order or as may from time to time be authorized under the provisions of the Bankruptcy Code or any other applicable law;

(k) enforce all orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Bankruptcy Case;

(l) enforce, interpret and administer the provisions of this Plan, including, but not limited to, the provisions relating to the distributions to be made hereunder and to the transfer of any property hereunder;

(m) determine matters concerning federal, state or local taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code;

(n) issue and enter such orders, consistent with sections 1142 and 105(a) of the Bankruptcy Code, as may be necessary to effectuate the consummation and full and complete implementation of this Plan; and

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

(o) enter a final decree closing the Bankruptcy Case.

9.4 Election Pursuant to Section 1129(b) of the Bankruptcy Code. The Debtor hereby requests confirmation of this Plan pursuant to section 1129(b) of the Bankruptcy Code if the requirements of all provisions of section 1129(a) of the Bankruptcy Code, except paragraph (a)(8) thereof, are met with regard to this Plan. In determining whether the requirements of section 1129(a)(8) of the Bankruptcy Code have been met, any Class that does not contain as an element thereof an Allowed Claim or a Claim temporarily allowed under Bankruptcy Rule 3018 as of the date fixed by the Bankruptcy Court for filing acceptances or rejections of this Plan will be deemed deleted from this Plan for purposes of voting to accept or reject this Plan and for purposes of determining acceptance or rejection of this Plan by such Class.

9.5 Consummation of the Plan. The Debtor reserves the right to request that the Confirmation Order include (i) a finding by the Bankruptcy Court that Bankruptcy Rule 3020(e) shall not apply to the Confirmation Order, and (ii) the Bankruptcy Court's authorization for the Debtor to consummate this Plan immediately after entry of the Confirmation Order.

9.6 Exemption from Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, the delivery of any deed or other instrument of transfer under, in furtherance, or in connection with this Plan, whether occurring prior or subsequent to the Confirmation Date, including any deeds, bills of sale or assignments executed in connection with any disposition of assets contemplated by this Plan, is not be subject to any stamp tax, real estate transfer tax, excise tax, sales tax, use tax or other similar tax.

9.7 Waivers. Except as otherwise provided in this Plan or in the Confirmation Order, any term of this Plan may be waived by the party benefited by the term to be waived.

9.8 Setoffs, Recoupments and Defenses. Nothing contained in this Plan shall constitute a waiver or release by the Debtor or the Reorganized Debtor of any rights of setoff or recoupment, or of any defense, they may have with respect to any Claim (including, without

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

limitation, rights under section 502(d) of the Bankruptcy Code). Except as otherwise provided in this Plan, in the Confirmation Order or in agreements previously approved by a Final Order, the Reorganized Debtor may, but are not required to, set off against any Claim or any distributions with respect to such Claim any and all of the claims, rights and Causes of Action of any nature that the Debtor or the Reorganized Debtor, as applicable, may hold against the holder of such Claim; provided, however, that neither the failure to effect such a setoff, the allowance of any Claim, the payment of any distribution hereunder or any other action or omission of the Debtor or the Reorganized Debtor, as applicable, nor any provision of this Plan, constitutes a waiver or release by the Debtor or the Reorganized Debtor, as applicable, of any such claims, rights and Causes of Action that the Debtor or the Reorganized Debtor, as applicable, may possess against such holder.

9.9 **Cancellation of Documents Evidencing Unsecured Claims**. As of the Effective Date, any note, agreement, instrument or other document evidencing an Unsecured Claim in an impaired Class shall be deemed cancelled, null and void, except for the right, if any, to receive distributions under this Plan; provided, however, that this section 9.9 shall not apply to the GIDI Unsecured Claim and the Ivory Unsecured Claim and the documents supporting such Claims to the extent that such Claims do not receive full payment prior to the eighty-fourth month following the Effective Date.

9.10 **No Retiree Benefits**. The Debtor is not obligated to provide retiree benefits within the meaning of section 1114(a) of the Bankruptcy Code. Thus, section 1129(a)(13) of the Bankruptcy Code does not apply to this Plan.

9.11 **Closing of the Bankruptcy Case**. As soon as practicable after the Effective Date, when the Reorganized Debtor deems appropriate, it shall seek authority from the Bankruptcy Court to close the Bankruptcy Case in accordance with the Bankruptcy Code and the Bankruptcy Rules; *provided, however*, that entry of a final decree closing the Bankruptcy Case shall, whether or not specified therein, be without prejudice to the right of the Reorganized

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

Debtor or other party in interest to reopen the Bankruptcy Case for any matter over which the Bankruptcy Court has retained jurisdiction under this Plan.

9.12 Compromise of Controversies. Pursuant to Bankruptcy Rule 9019, and in consideration for the classification, distributions and other benefits provided under this Plan, the provisions of this Plan constitute a good faith compromise and settlement of all Claims or controversies resolved pursuant to this Plan. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of each of the compromises and determination that such compromises and settlements are in the best interest of the Debtor and the Estate. The Debtor expressly reserves the right (with Court approval, following appropriate notice and opportunity for a hearing) to compromise and settle other Claims and Causes of Action up to and including the Effective Date.

9.13 Payment of Statutory Fees. The Reorganized Debtor will be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6) until the Bankruptcy Case is closed, converted, or dismissed. After Confirmation, the Reorganized Debtor shall file a monthly financial report for each month, or portion thereof, that the Bankruptcy Case remains open. The monthly financial report will include a statement of all disbursements made during the course of the month by the Reorganized Debtor, whether or not pursuant to this Plan.

9.14 Notices to Reorganized Debtor. All notices, requests, demands or other communications in connection with or required to be given under this Plan, if any, will be in writing and will be sent by: (i) certified first class mail, return receipt requested, postage prepaid (deemed given when received as noted on return receipt); (ii) overnight courier, freight prepaid, receipt requested (deemed given when received as noted on receipt); (iii) facsimile (deemed given when received as noted on confirmation report); or (iv) hand delivery, receipt requested (deemed given when received as noted on receipt):

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

If to the Reorganized Debtor, to: Ivory Trading Company
539 SE Division Place
Portland, OR 97202
Phone: (971) 244-4202
Fax: (971) 244-4221
Attn: Michael P. Ivory

With a copy to: Perkins Coie LLP
1120 N.W. Couch Street, 10th Floor
Portland, OR 97209-4128
Phone: (503) 727-2000
Fax: (503) 727-2222
Attn: Douglas R. Pahl

Either of the above parties may, from time to time, change its address for future notices and other communications hereunder by filing a notice of the change of address with the Bankruptcy Court.

9.15 Default. Except as otherwise provided in the Plan or in the Confirmation Order, in the event that the Reorganized Debtor defaults in the performance of any of its obligations under the Plan and has not cured such a default within any applicable cure period (or, if no cure period is specified under the Plan, then within 30 days after receipt of written notice of default from the Creditor to whom performance is due), then the entity to whom the performance is due may pursue such remedies as are available at law or in equity. An event of default occurring with respect to one Claim is not an event of default with respect to any other Claim.

9.16 Headings. The headings of the articles, sections and subsections of this Plan are inserted for convenience only and will not affect the interpretation hereof.

9.17 Governing Law. Except to the extent that the Bankruptcy Code is applicable and preempts state law, the rights and obligations arising under this Plan will be governed by, and will be construed and enforced in accordance with, the laws of the State of Oregon without regard to choice of law rules.

9.18 Computation of Time Periods. In computing any period of time prescribed or allowed by this Plan, unless otherwise expressly provided herein, the provisions of Bankruptcy Rule 9006(a) will apply.

Perkins Coie LLP
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Phone: 503.727.2000
Fax: 503.727.2222

9.19 Successors and Assigns. The Plan is binding upon and inures to the benefit of the Debtor, the Reorganized Debtor, Creditors, holders of Equity Interests, and all other parties in interest affected thereby and their respective successors, heirs, legal representatives, and assigns.

9.20 Exhibits and Schedules. All exhibits and schedules to this Plan are incorporated into and are part of this Plan as if set forth in full herein.

WHEREFORE, the Debtor requests entry of an order granting the relief requested herein and such other and further relief as is just and proper under the circumstances.

DATED: May 26, 2015

PERKINS COIE LLP

By: /s/ Douglas R. Pahl

Douglas R. Pahl, OSB No. 950476
DPahl@perkinscoie.com
1120 N.W. Couch Street, Tenth Floor
Portland, OR 97209-4128
Telephone: 503.727.2000
Facsimile: 503.727.2222

Attorneys for Debtor
Ivory Trading Company, Inc.
dba Ivory Headwear, Co.

EXHIBIT 1

Loan Modification

(to be provided)

EXHIBIT 2

Executory Contracts and Unexpired Leases

Non-Debtor Party	Contract Description	Treatment	Cure Amount
Division Place Properties	Commercial lease	Assume; pay cure over 60 months	$74,716.83

EXHIBIT B

Financial Projections

Month Start 8/1/2015								August	Sept	October	November	December			Total
Receipts:															
Steel Commissions								32,000	32,000	32,000	32,000	32,000			160,000
With new 15 head machine								15,000	15,000	15,000	15,000	15,000			75,000
Headwear Sales								107,000	107,000	107,000	107,000	107,000			535,000
Total Receipts		-	-	-	-	-	-	154,000	154,000	154,000	154,000	154,000			770,000
Disbursements:															
Mfg Expenses								50,297	50,297	50,297	50,297	50,297			251,485
Oper. Expenses								19,367	19,367	19,367	19,367	19,367			96,835
Payroll& Payroll taxes								29,900	29,900	29,900	29,900	29,900			149,500
Payroll with new machine								5,000	5,000	5,000	5,000	5,000			25,000
Contingency								1,500	1,500	1,500	1,500	1,500			7,500
G&A (Rent, Ins, Mgmt Salary)								19,735	19,735	19,735	19,735	19,735			98,675
Loan Pay BOW 7 yr AM 4.75%								7,569	7,569	7,569	7,569	7,569			37,845
UST Fee								1,462	1,462	1,462	1,462	1,462			7,310
New Machine 5 yr am at 7%								1,980	1,980	1,980	1,980	1,980			9,900
Unsecured debt-AM 60 months								5,000	5,000	5,000	5,000	5,000			25,000
Unsecured debt-less than $13k								6,500	6,500						13,000
Total Disbursements	-	-	-	-	-		-	148,310	148,310	141,810	141,810	141,810			722,050
Net Profit	-	-	-	-	-	-	-	5,690	5,690	12,190	12,190	12,190	-	-	47,950
	-	-	-	-	-	-	-								

5/22/2015B

Note new machine 5 year am on $103,000 at 7% P&I

2016 Projections	January	February	March	April	May	June	July	August	Sept	October	November	December			Total
Asumptions															
Steel revenue flat															
Headwear roughly plus 5% adjusted for seasonal															
Expenses plus 3%															
Receipts:															
Steel Commissions	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000			384,000
With new 15 head machine	15,000	15,000	16,000	16,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	15,000			203,000
Headwear Sales	107,000	107,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	112,000	107,000			1,329,000
Total Receipts	154,000	154,000	160,000	160,000	162,000	162,000	162,000	162,000	162,000	162,000	162,000	154,000			1,916,000
Disbursements:															
Mfg Expenses	50,297	50,297	52,320	52,320	52,975	52,975	52,975	52,975	52,975	52,975	52,975	50,297			626,356
Oper. Expenses	19,948	19,948	19,948	19,948	19,948	19,948	19,948	19,948	19,948	19,948	19,948	19,948			239,376
Payroll& Payroll taxes	30,797	30,797	30,797	30,797	30,797	30,797	30,797	30,797	30,797	30,797	30,797	30,797			369,564
Payroll with new machine	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150	5,150			25,750
Contingency	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500			7,500
G&A (Rent, Ins, Mgmt Salary)	20,327	20,327	20,327	20,327	20,327	20,327	20,327	20,327	20,327	20,327	20,327	20,327			243,924
Loan Pay BOW 7 yr AM 4.75%	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569			90,828
UST Fee	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462			7,310
New Machine 5 yr am at 7%	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980			9,900
Unsecured debt-AM 60 months	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000			60,000
Total Disbursements	144,030	144,030	146,053	146,053	146,708	146,708	146,708	146,708	146,708	146,708	146,708	144,030			1,680,508
Net Profit	9,970	9,970	13,947	13,947	15,292	15,292	15,292	15,292	15,292	15,292	15,292	9,970	-	-	164,848
23-May-15															

Note new machine 5 year am on $103,000 at 7% P&I

2017 Projections	January	February	March	April	May	June	July	August	Sept	October	November	December			Total
Asumptions															
Steel revenue flat															
Headwear roughly plus 5% adjusted for seasonal															
Expenses plus 3%															
Receipts:															
Steel Commissions	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000			384,000
With new 15 head machine	15,000	15,000	16,000	16,000	20,000	20,000	20,000	20,000	20,000	20,000	18,000	15,000			215,000
Headwear Sales	112,000	112,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	117,000	112,000			1,389,000
Total Receipts	159,000	159,000	165,000	165,000	169,000	169,000	169,000	169,000	169,000	169,000	167,000	159,000			1,988,000
Disbursements:															
Mfg Expenses 32.7% of Sales	51,993	51,993	53,955	53,955	53,955	53,955	53,955	53,955	53,955	53,955	53,955	51,993			641,574
Oper. Expenses	20,546	20,546	20,546	20,546	20,546	20,546	20,546	20,546	20,546	20,546	20,546	20,546			246,552
Payroll& Payroll taxes	31,721	31,721	31,721	31,721	31,721	31,721	31,721	31,721	31,721	31,721	31,721	31,721			380,652
Payroll with new machine	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400			27,000
Contingency	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500			7,500
G&A (Rent, Ins, Mgmt Salary)	20,937	20,937	20,937	20,937	20,937	20,937	20,937	20,937	20,937	20,937	20,937	20,937			251,244
Loan Pay BOW 7 yr AM 4.75%	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569			90,828
UST Fee	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462			7,310
New Machine 5 yr am at 7%	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980			9,900
Unsecured debt-AM 60 months	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000			60,000
Total Disbursements	148,108	148,108	150,070	150,070	150,070	150,070	150,070	150,070	150,070	150,070	150,070	148,108			1,722,560
Net Profit	10,892	10,892	14,930	14,930	18,930	18,930	18,930	18,930	18,930	18,930	16,930	10,892	-	-	193,046
23-May-15															

Note new machine 5 year am on $103,000 at 7% P&I

2018 Projections	January	February	March	April	May	June	July	August	Sept	October	November	December			Total
Asumptions															
Steel revenue flat															
Headwear roughly plus 5% adjusted for seasonal															
Expenses plus 3%															
Receipts:															
Steel Commissions	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000			384,000
With new 15 head machine	16,000	16,000	18,000	18,000	22,000	22,000	22,000	22,000	22,000	22,000	18,000	16,000			234,000
Headwear Sales	112,000	112,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	123,000	112,000			1,443,000
Total Receipts	160,000	160,000	173,000	173,000	177,000	177,000	177,000	177,000	177,000	177,000	173,000	160,000			2,061,000
Disbursements:															
Mfg Expenses 32.7% of Sales	52,320	52,320	56,575	56,575	57,879	57,879	57,879	57,879	57,879	57,879	56,575	52,320			673,959
Oper. Expenses	21,162	21,162	21,162	21,162	21,162	21,162	21,162	21,162	21,162	21,162	21,162	21,162			253,944
Payroll& Payroll taxes	32,673	32,673	32,673	32,673	32,673	32,673	32,673	32,673	32,673	32,673	32,673	32,673			392,076
Payroll with new machine	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600			67,200
Contingency	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500			7,500
G&A (Rent, Ins, Mgmt Salary)	21,565	21,565	21,565	21,565	21,565	21,565	21,565	21,565	21,565	21,565	21,565	21,565			258,780
Loan Pay BOW 7 yr AM 4.75%	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569			90,828
UST Fee	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462			7,310
New Machine 5 yr am at 7%	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980			9,900
Unsecured debt-AM 60 months	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000			60,000
Total Disbursements	150,831	150,831	155,086	155,086	156,390	156,390	156,390	156,390	156,390	156,390	155,086	150,831			1,821,497
Net Profit	9,169	9,169	17,914	17,914	20,610	20,610	20,610	20,610	20,610	20,610	17,914	9,169	-	-	204,909
23-May-15															

Note new machine 5 year am on $103,000 at 7% P&I

2019 Projections	January	February	March	April	May	June	July	August	Sept	October	November	December			Total
Asumptions															
Steel revenue flat															
Headwear roughly plus 5% adjusted for seasonal															
Expenses plus 3% /Pay roll plus 5% for 2019															
Receipts:															
Steel Commissions	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000			384,000
With new 15 head machine	16,000	16,000	18,000	18,000	22,000	22,000	22,000	22,000	22,000	22,000	18,000	16,000			234,000
Headwear Sales	112,000	112,000	129,000	129,000	129,000	129,000	129,000	129,000	129,000	129,000	129,000	112,000			1,497,000
Total Receipts	160,000	160,000	179,000	179,000	183,000	183,000	183,000	183,000	183,000	183,000	179,000	160,000			2,115,000
Disbursements:															
Mfg Expenses 32.7% of Sales	52,320	52,320	58,533	58,533	59,841	59,841	59,841	59,841	59,841	59,841	58,533	52,320			691,605
Oper. Expenses	21,797	21,797	21,797	21,797	21,797	21,797	21,797	21,797	21,797	21,797	21,797	21,797			261,564
Payroll& Payroll taxes	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307	34,307			411,684
Payroll with new machine	5,880	5,880	5,880	5,880	5,880	5,880	5,880	5,880	5,880	5,880	5,880	5,880			70,560
Contingency	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500			7,500
G&A (Rent, Ins, Mgmt Salary)	22,212	22,212	22,212	22,212	22,212	22,212	22,212	22,212	22,212	22,212	22,212	22,212			266,544
Loan Pay BOW 7 yr AM 4.75%	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569	7,569			90,828
UST Fee	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462	1,462			7,310
New Machine 5 yr am at 7%	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980			9,900
Unsecured debt-AM 60 months	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000			60,000
Total Disbursements	154,027	154,027	160,240	160,240	161,548	161,548	161,548	161,548	161,548	161,548	160,240	154,027			1,877,495
Net Profit	5,973	5,973	18,760	18,760	21,452	21,452	21,452	21,452	21,452	21,452	18,760	5,973	-	-	202,911
23-May-15															

Note new machine 5 year am on $103,000 at 7% P&I

2020 Projections	January	February	March	April	May	June	July	August	Sept	October	November	December			Total
Asumptions															
Steel revenue flat															
Headwear roughly plus 5% adjusted for seasonal															
Expenses plus 3% /Pay roll plus 3% for 2020															
Receipts:															
Steel Commissions	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000			384,000
With new 15 head machine	16,000	16,000	18,000	18,000	22,000	22,000	22,000	22,000	22,000	22,000	18,000	16,000			234,000
Headwear Sales	112,000	112,000	136,000	136,000	136,000	136,000	136,000	136,000	136,000	136,000	136,000	112,000			1,560,000
Total Receipts	160,000	160,000	186,000	186,000	190,000	190,000	190,000	190,000	190,000	190,000	186,000	160,000			2,178,000
Disbursements:															
Mfg Expenses 32.7% of Sales	52,320	52,320	60,822	60,822	62,130	62,130	62,130	62,130	62,130	62,130	60,822	52,320			712,206
Oper. Expenses	22,451	22,451	22,451	22,451	22,451	22,451	22,451	22,451	22,451	22,451	22,451	22,451			269,412
Payroll& Payroll taxes	36,022	36,022	36,022	36,022	36,022	36,022	36,022	36,022	36,022	36,022	36,022	36,022			432,264
Payroll with new machine	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056			72,672
Contingency	1,500	1,500	1,500	1,500	1,500	1,500	1,500								10,500
G&A (Rent, Ins, Mgmt Salary)	22,878	22,878	22,878	22,878	22,878	22,878	22,878	22,878	22,878	22,878	22,878	22,878			274,536
Loan Pay BOW 7 yr AM 4.75%	7,569	7,569	7,569	7,569	7,569	7,569	7,569								52,983
UST Fee	1,462	1,462	1,462	1,462	1,462	1,462	1,462								10,234
New Machine 5 yr am at 7%	1,980	1,980	1,980	1,980	1,980	1,980	1,980								13,860
Unsecured debt-AM 60 months	5,000	5,000	5,000	5,000	5,000	5,000	5,000								35,000
Total Disbursements	157,238	157,238	165,740	165,740	167,048	167,048	167,048	149,537	149,537	149,537	148,229	139,727			1,883,667
Net Profit	2,762	2,762	20,260	20,260	22,952	22,952	22,952	40,463	40,463	40,463	37,771	20,273	-	-	294,333
23-May-15															

Note new machine 5 year am on $103,000 at 7% P&I

EXHIBIT C

LIQUIDATION ANALYSIS

As of April 24, 2015

Item	Gross Value	Recovery %	Net
Cash	632	100%	632
Accts. Receivable	83,203	80%	66,562
Inventory	484,522	20%	96,904
Machinery	235,000	50%	117,500
	803,357		281,598
Less Cost of Sale			(10,000)
			271,598
Less Balance to Secured Creditor (Bank of the West)			(533,190)
Equals Deficiency			(261,592)

Note: This analysis assumes liquidation on a "quick sale" basis. Values as of petition date.